

**FILED**  
At Albuquerque NM

SEP 14 2010

IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF NEW MEXICO

**MATTHEW J. DYKMAN**  
**CLERK**

UNITED STATES OF AMERICA,

Plaintiff,

vs.

**JOSEPH CHESTER,**

Defendant.

CRIMINAL NO. 10-cr-2601

Counts 1-47:

18 U.S.C. § 1343: Wire Fraud.

**INDICTMENT**

The Grand Jury charges:

Introduction

1. Beginning on or about February 1, 2008, and continuing through on or about November 25, 2008, in the District of New Mexico and elsewhere, the defendant, **JOSEPH CHESTER**, devised and intended to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, promises, and omissions, and for the purpose thereof, the defendant knowingly and wilfully engaged in the acts and omissions as further set forth herein.

2. The defendant, **JOSEPH CHESTER**, is a federal employee and an air traffic controller. He was the president of the air traffic controllers' local union in Albuquerque, New Mexico -- the National Air Traffic Controllers Association (NATCA) AFL-CIO, Albuquerque Local (ABQ LU) -- for calendar year 2008.

3. In 2008 the Albuquerque air traffic controllers' local union (NATCA ABQ LU) had primary account number 1352130 at Kirtland Federal Credit Union (KFCU)

under the name NATCA ABQ Local, 3400 Gibson Blvd. SE, Albuquerque, NM 87106.

Under that primary account number, the savings account number was 1352130-00, and the checking account number was 1352130-09.

4. The Albuquerque air traffic controllers' local union (NATCA ABQ LU) typically paid any expenses by a check signed by two of the four officers for that calendar year.

5. The NATCA ABQ LU had a VISA debit card, number #4306228990447401, with "NATCA ABQ LOCAL" on the front of the card, linked to both union accounts (checking and savings). As president of NATCA ABQ LU for calendar year 2008, the defendant, **JOSEPH CHESTER**, was in possession of the Visa debit card in 2008.

6. The local union receives dues from members' salaries. The dues are directly deposited by the national union into the local union's bank account.

#### The Scheme and Artifice to Defraud

7. As part of his scheme, the defendant, **JOSEPH CHESTER**, used the Visa debit card ending in -7401 to withdraw funds for his own personal use, not for union purposes, from both union accounts (checking and savings), from on or about February 1, 2008, through on or about April 15, 2008, when the card was lost. The defendant, **JOSEPH CHESTER**, obtained a replacement VISA debit card #4306228990444823, also with the name "NATCA ABQ LOCAL" on the front, but the new card was never activated.

8. As part of his scheme, after he lost the Visa debit card on or about April 15, 2008, the defendant, **JOSEPH CHESTER**, caused KFCU to issue him an ATM card

with his name on the front, "Joe Chester," linked to both union accounts (checking and savings), when no prior NATCA ABQ LU presidents had had such an ATM card. On or about April 24, 2008, the defendant, **JOSEPH CHESTER**, picked up ATM card #5811281000058291 at KFCU. In furtherance of his scheme, the defendant, **JOSEPH CHESTER**, used the ATM card ending in -8291 to withdraw funds for his own personal use, not for union purposes, from on or about April 24, 2008, through on or about December 10, 2008.

9. As part of his scheme, no other union officer in 2008 was aware that the defendant, **JOSEPH CHESTER**, had obtained an ATM card from KFCU that accessed the union's checking and savings accounts.

10. The defendant, **JOSEPH CHESTER**, used the VISA debit card and the ATM card to withdraw funds from both union accounts at ATM machines located in New Mexico and in Nevada. These ATM transactions were processed through a computer in Wisconsin, and one ATM transaction (Count 18) was processed in Texas.

11. As part of his scheme, the defendant, **JOSEPH CHESTER**, deposited \$5,080 of his own funds into the union accounts: \$4,800 into the union checking account from February 7, 2008, to December 3, 2008; and \$280 into the union savings account from May 24, 2008, to December 2, 2008.

12. Less his own deposits of \$5,080, the defendant, **JOSEPH CHESTER**, as part of his scheme withdrew a total of \$8,017.50 (including ATM fees) of union funds, for his own use, from the two union accounts, from February 1, 2008, to December 10, 2008.

13. In furtherance of his scheme, the defendant, **JOSEPH CHESTER**, did not

hold any union membership meetings during 2008 while he was president, at which he would have been asked to about the balances in the NATCA ABQ LU accounts.

Execution of the Scheme and Artifice to Defraud

14. For the purpose of executing the scheme and artifice to defraud described herein and to obtain the union's money and property by means of materially false and fraudulent pretenses, representations, promises, and omissions, on or about the dates set forth below, in the District of New Mexico and elsewhere, the defendant, **JOSEPH CHESTER**, knowingly and fraudulently transmitted and caused to be transmitted in interstate commerce, by means of wire communications, certain writings, signs, signals, and sounds, by fraudulently using the local union's Visa debit card ending in -7401, and the ATM card ending in -8291 that he caused to be issued to himself, to obtain a total of \$7,953.50 in cash withdrawals at ATM machines for his unlawful personal use, all on or about and between February 1, 2008, and November 25, 2008 -- excluding the \$5,080 of his own funds he deposited into these accounts and associated transaction fees:

Count	Process Date	Card Used at ATM Machine	Union Account	Amount Withdrawn
1	2-1-08	Visa debit card #4306228990447401	Checking	\$400
2	2-2-08	Visa debit card #4306228990447401	Checking	\$400
3	2-21-08	Visa debit card #4306228990447401	Checking	\$200
4	2-23-08	Visa debit card #4306228990447401	Checking	\$200
5	2-29-08	Visa debit card #4306228990447401	Checking	\$300
6	3-12-08	Visa debit card #4306228990447401	Checking	\$500
7	3-19-08	Visa debit card #4306228990447401	Savings	\$200
8	3-20-08	Visa debit card #4306228990447401	Savings	\$260
9	3-21-08	Visa debit card #4306228990447401	Savings	\$140

Count	Process Date	Card Used at ATM Machine	Union Account	Amount Withdrawn
10	3-28-08	Visa debit card #4306228990447401	Savings	\$100
11	3-28-08	Visa debit card #4306228990447401	Savings	\$200
12	3-29-08	Visa debit card #4306228990447401	Checking	\$201.50
13	3-29-08	Visa debit card #4306228990447401	Checking	\$201.50
14	4-11-08	Visa debit card #4306228990447401	Savings	\$500
15	4-14-08	Visa debit card #4306228990447401	Savings	\$120
16	4-14-08	Visa debit card #4306228990447401	Savings	\$202.50
17	4-14-08	Visa debit card #4306228990447401	Savings	\$103.50
18	4-14-08	Visa debit card #4306228990447401	Checking	\$103.50
19	4-24-08	ATM card #5811281000058291	Checking	\$240
20	4-24-08	ATM card #5811281000058291	Checking	\$260
21	4-27-08	ATM card #5811281000058291	Checking	\$102
22	4-29-08	ATM card #5811281000058291	Savings	\$200
23	4-29-08	ATM card #5811281000058291	Savings	\$140
24	4-30-08	ATM card #5811281000058291	Savings	\$101.50
25	4-30-08	ATM card #5811281000058291	Checking	\$201.50
26	5-4-08	ATM card #5811281000058291	Checking	\$80
27	5-13-08	ATM card #5811281000058291	Savings	\$60
28	5-14-08	ATM card #5811281000058291	Checking	\$100
29	5-15-08	ATM card #5811281000058291	Savings	\$100
30	5-19-08	ATM card #5811281000058291	Savings	\$201.50
31	5-19-08	ATM card #5811281000058291	Savings	\$201.50
32	5-19-08	ATM card #5811281000058291	Checking	\$201.50
33	5-23-08	ATM card #5811281000058291	Savings	\$141.50
34	6-6-08	ATM card #5811281000058291	Checking	\$102
35	6-14-08	ATM card #5811281000058291	Checking	\$40

Count	Process Date	Card Used at ATM Machine	Union Account	Amount Withdrawn
36	7-22-08	ATM card #5811281000058291	Checking	\$61.50
37	7-23-08	ATM card #5811281000058291	Checking	\$80
38	7-25-08	ATM card #5811281000058291	Savings	\$80
39	7-25-08	ATM card #5811281000058291	Checking	\$100
40	7-25-08	ATM card #5811281000058291	Checking	\$81.50
41	7-25-08	ATM card #5811281000058291	Checking	\$61.50
42	8-13-08	ATM card #5811281000058291	Checking	\$140
43	8-15-08	ATM card #5811281000058291	Checking	\$100
44	8-17-08	ATM card #5811281000058291	Checking	\$82
45	8-19-08	ATM card #5811281000058291	Checking	\$220
46	8-19-08	ATM card #5811281000058291	Checking	\$121.50
47	11-25-08	ATM card #5811281000058291	Savings	\$20
			TOTAL	\$7,953.50

In violation of 18 U.S.C. § 1343.

A TRUE BILL:

/s/

FOREPERSON OF THE GRAND JURY

  
Assistant United States Attorney

09/09/10 8:27am